

Background Document for the Equality Fund Consultations

This document provides background and context on the Equality Fund. It also outlines questions to be considered in the ongoing consultations and discussions.

As part of the Equality Fund's commitment to be accountable to feminist movements and organizations around the world, we want to hear the visions, suggestions, analysis, recommendations, and questions of feminists across the globe.

The Equality Fund has teamed up with the Association for Women's Rights in Development ([AWID](#)) to co-create this consultation process. We're also drawing on the insights and support of the African Women's Development Fund ([AWDF](#)), [Prospera](#) (the International Network of Women's Funds), and possibly the [Urgent Action Fund for Women's Human Rights, Asia & Pacific](#) (UAF A&P), and the [Women's Fund Asia](#).

The consultations are designed to:

- Engage with feminist movements to develop input and recommendations for the design and build phase of the Equality Fund; and
- Document the analysis and conclusions of the consultations.

The consultations have the following objectives:

1. Engage with feminist movements to inform and influence the Design & Build phase of the Equality Fund, especially:

1. Grantmaking strategy;
2. Philanthropic and feminist resource mobilization strategies;
3. Investment mechanisms and feminist oversight; and
4. Feminist accountability.

2. Provide input and guidance on the Equality Fund, especially:

- Develop and apply best practices for feminist consultations.
- Propose accountability mechanisms, including communication and feedback channels, to continue throughout the whole life of the Equality Fund.
- Establish clear pathways for engaging with movements at every stage of the process.

3. Document the consultation's analysis and conclusions to:

- Guide future engagement between the Equality Fund and feminist movements.
- Inform broader advocacy work on resourcing for feminist movements beyond the Equality Fund.

Part 1 – What is the Equality Fund?

We're excited about the Equality Fund! We're looking to build something new.

The Equality Fund is being designed to advance feminist change around the world. An initial contribution of \$300M from the Government of Canada is being used to leverage new money for women's rights and gender justice. Our ambitious fund mobilization strategy aims to raise an additional \$100M from private philanthropy.

The Equality Fund model is about more than sending money to women's organizations. It's a disruption in two key ways: 1) recognizing and using the role of capital for advancing gender equality and earning

profit at the same time through gender-lens investing, and 2) disrupting the traditional charity model of international development.

An impact investment mechanism will advance the field of gender lens investing and, in time, yield resources to be used in grantmaking.

The Equality Fund was incubated by The MATCH International Women's Fund (and we've now become the Equality Fund) and supported by a collective of 10 additional organizations.¹

Please see the 2-page document in the annex for information on the Equality Fund collective and our three basic programs: grantmaking, philanthropy and gender lens investing.

The mission and goals of the Equality Fund

The Equality Fund believes the world is at an inflection point. We know that feminist approaches to building peace, shifting power, and protecting the planet are essential, and that women's organizations and feminist ideas must be sustainably scaled up.

The Equality Fund will:

- Sustainably and boldly deliver resources to women's rights organizations and movements – initially in [countries eligible for official development assistance](#) (ODA).
- Build investment funds that yield competitive returns and contribute to gender equality objectives. Support innovation and mitigate risk to investors and those spearheading new ways of working.
- Ensure that funding, investment and governance decisions are grounded in feminist perspectives.
- Build a strong and resilient organizational base with 'best in class' institutions providing services and supports ensuring responsible stewardship of taxpayers', investors', and supporters' resources.
- Become financially self-sufficient and will not depend on government for annual appropriations to thrive and grow.
- Innovatively partner with a broad community of public and private sector partners along with feminist leaders from around the world to honour feminist values with accountabilities and strategies that deliver measurable results.
- Be built by feminists for feminists, scalable and sustainable, the Equality Fund is a model that will fund the long-term work of women's movements.

Part 2 – What will we discuss at the Consultations?

In this section, we describe the major areas of work, including key considerations that will be raised during the consultations and throughout the design and build phase.

A. Grantmaking Strategies

Tentatively we will have four grantmaking streams (see table 1 below), that will be phased in over the next three years. Capacity building is a key component across all grantmaking streams. Initially, all funding must go to organizations in ODA-eligible countries.

¹ African Women's Development Fund, Toronto Foundation, Community Foundations of Canada, World University Services of Canada (WUSC), Calvert Impact Capital, Royal Bank of Canada, Philanthropy Advancing Women's Human Rights, Oxfam Canada, Canadian Women's Foundation and Yaletown.

The initial grantmaking budget is relatively small at first, but will grow over time. It is anticipated that the funds available for grantmaking in year 1 (2020 -2021) will be \$3.3M, growing to 17M in year 3 and 21M in year 4. We anticipate that they will continue to grow, year on year, as our investment arm expands and our philanthropic outreach yields results.

Table 1 – Proposed Grantmaking Streams					
Stream	Description	Who will be eligible	Funding Amounts	Starting	Other notes
Catalyze	Multi-year, core, flexible funding for gender justice & women’s rights organizations	Women’s rights / gender justice organizations at the grassroots & national level. Possibly, organizations working in multiple countries/regional level.	\$15k – 100K per year per grantee	Starting m-Mid-2020	Process to identify and select grantees to be determined. Initially, we’re considering calls for proposals. Participatory grantmaking will be explored for later in the design phase
Activate	Support for grantmaking by Women’s Funds (strengthening the feminist funding ecosystem)	Women’s Funds (do not need to be headquartered in an ODA-eligible country, but grantees must be in ODA-eligible countries)	\$7M to 8M/year, starting in 2021	Pilot grant to AWDF in 2020 Funding to other Women’s Funds starts in 2021	Process to identify steps to select the Women’s Funds that will receive support is in discussion with Prospera & AWDF
Connect	Multi-year funding to coalitions, consortia & networks (strengthening networks & movements, building the ‘connective tissue’ of feminist organizing)	Consortia working on a specific theme or in a specific region.	2-4 years of funding, averaging approximately \$800K per consortia 6-9 consortia funded <i>figures are tentative</i>	Process to select consortia will begin in 2021, with grants flowing in 2022	We envision an open call for proposals, but are interested in suggestions on how best to structure a decision-making process
Prepare & Respond	Strengthening the ability of women’s rights organizations to respond to natural disasters & armed conflict , and engage with the global humanitarian system	Women’s rights organizations working in crisis situations (conflict or natural disasters)	Multi-year grants to specific women’s rights organizations (\$15K - \$60K) One-off grants to support specific work in an urgent crisis (\$15K - \$40K) <i>figures are tentative</i>	Starting in 2022	Process to select grantees is open to suggestions.

General Selection Criteria

Currently, working selection criteria include:

- Feminist and women’s rights organizations or groups of women, trans, and/or intersex frontline activists.
- Governed, led, and directed by women, girls, trans, and intersex people.
- Based and working in the Global South, or a women’s fund granting in ODA-eligible countries.
- Primary focus of the organization is advancing gender justice, women’s rights and gender equality.
- Independent from political parties and not a government entity or multilateral institution.
- Sufficient organizational capacity to accept, manage and report on funds directly or through a fiscal sponsor.

Grantmaking -- Issues for the consultation

- *Feedback on the proposed 4 streams. Are there specific priority issues/regions? Is something very important missing?*
- *Concrete suggestions on how to ‘shift the power’, decentralizing decision-making around who gets what money.*
- *What would a conflict of interest policy look like – how can people be involved in decision-making in a way that is transparent and doesn’t look like they are deciding to allocate funds to their organization or to groups they are related to?*
- *What would a feminist monitoring, learning and evaluation strategy for the Fund’s grantmaking look like? What are the priorities to include? How do we balance longer term and learning outcomes with the need to report results to GAC and other funders?*
- *Is there feedback on the general eligibility criteria?*
- *Recognizing the needs of feminist organizations outside of the ODA-eligible countries, what are the opportunities to work with other organizations, networks, funders, to explore grantmaking and supporting movements in other countries and regions?*
- *How to ensure an intersectional approach – in practice?*

B. Philanthropy

We have set ambitious philanthropic targets. Philanthropy will play a critical funding role in the first 5-10 years of operations of the Equality Fund, as it will serve as a ‘bridge’ to cover the financial resources required by the grant-making arm to ensure women’s rights and gender justice organizations receive increased funding while the EF Investment arm is commencing its operations. As the investment arm is able to increase its funding to the grant-making arm after the first five years, philanthropy will remain an important funding resource for the Equality Fund. Fundraising operations will continue even after the investment arm is fully operational.

Philanthropy - Issues for the consultation:

- *How can the Equality Fund encourage national/local philanthropy - both in Canada and in other countries?*
- *What are the key current themes and discussions on women’s rights and philanthropy? How can the Equality Fund influence or positively participate?*
- *What do you see as the Equality Fund’s role in the feminist funding ecosystem? What are the opportunities? What are the challenges?*

C. The Investment mechanisms

A diversified and innovative investment portfolio will be at the core of the Equality Fund. It will fulfill two key objectives:

- All funds will carry a gender lens screen.
- Investment returns from funds invested by Global Affairs Canada and other investors will be used to support grantmaking.

Three investment streams will be designed to achieve an appropriate balance of risk, return and liquidity.

1. Public Equities Fund (Managed by RBC) (public markets gender-lens data will be provided by Equileap).
2. Private Debt Fund (Managed by Calvert Impact Capital).
3. A third gender lens investment stream (to be launched in year 4) – developed by the Equality Fund.

The Equality Fund, in partnership with Toronto Foundation, will develop an ‘investment policy statement’ that will guide the investments. The Equality Fund will apply product-based criteria to exclude investments listed in the Norwegian Ethics Council List, as well as organizations involved in a range of exploitative or extractive industries, addictive human behavior, or the manufacturing of goods and services considered illegal or destructive. The Equality Fund will also use conduct-based criteria to exclude organizations that fail to comply with human rights, labour, environmental protection and anti-corruption principles. An Investment Advisory Council is being established to provide inputs – see the section on governance below.

Investment Mechanism - Issues for the consultation

- *We hope that the Equality Fund builds new discussions among and between feminist activists, feminist economists, gender lens investing experts, impact investing experts and mainstream investment manager. How can these conversations be set up to ensure constructive exchanges of views? Concrete suggestions are welcome.*
- *What would constitute standards of rigorous transparency and accountability for the investment function?*
- *What do you see as feminist practice for impact investing?*
- *What good practices should the Equality Fund look to?*

D. Feminist accountability

We are hoping to build in strong accountability mechanisms at various levels.

We are committed to a feminist monitoring, evaluation and learning process -- across all areas of work.

Recruitment for the **Equality Fund Board** is underway. The Board will be led by 2 co-chairs, with leadership shared by a Canadian feminist leader and a feminist leader from the Global South. A new board membership will be in place by March 2020. The first ‘version’ of the Board will be experimental and changes in membership and ways of working may be proposed for the second version.

There are currently 2 Board ‘advisory councils’ that will provide guidance and expertise to organizations within the Equality Fund Consortium. These advisory councils have no approval authority. Rather, they seek to ensure the Equality Fund is able to draw on cutting edge ideas, insights, advice and expertise from around the world to ensure the Equality Fund continues to work in new and innovative ways:

- **The Equality Fund Investment Advisory Council**, a collective of industry experts, will guide the creation and ongoing execution of one of the world’s largest gender lens investment strategies. Comprised of voices from around the world, including the global south, this council currently includes: Catalyst-at-Large (Suzanne Biegel), Graca Machel Trust (Andia Chakava), Elevar Equity (Amie Patel), and Possibilian Ventures (Michael Lewkowitz). The membership of this Council will be augmented with the appointment of feminist economists and investment experts from the global south. This council will work closely with the Investment Committees of both the Toronto Foundation Board of Directors and the Equality Fund Board of Directors.
- **The Equality Fund Philanthropy Advisory Council** will be comprised of Canadian and global leaders in feminist philanthropy who will support the planning and execution of the EF’s fund mobilization strategy. Current members include: Nicky McIntyre (Foundation for a Just Society), Kavita Ramdas (Open Society Foundation), Katharina Samara-Wickrama (Oak Foundation), and Andrea Dicks (Community Foundations of Canada). This council will work closely with the EF Fund Mobilization Team.

A Board **Program Advisory Council** may be formed.

There are also a number of official Board committees that will be formed, including governance & operations as well as audit and finance.

Currently a legal ‘multiparty agreement’ sets out the roles and responsibilities of TMF/Equality Fund, WUSC and the Toronto Foundation. We will have to work within this framework for the first 4-5 years.

Accountability: Issues for the consultation

- *What kinds of structures or processes have you seen as best practices for feminist accountability?*
- *Real-time updates from the consultation will be fed into the discussions and work on the formation of the Board, however, the timing to influence this initial board is limited.*
- *Investment Advisory Council & Philanthropy Advisory Council: how should additional members be selected? Are there key issues for the guidance for recruitment and governance of these Councils?*
- *Program Advisory Council: is this a good idea? If yes, what should the mandate and scope be? How should members be selected? If there are effective ‘shift the power’ decision-making elements for each grant stream, is an overall ‘program advisory council’ needed?*
- *What advice do you have in building out a feminist organization as the Equality Fund grows and becomes more complex?*
- *What do you see as key elements of a feminist monitoring, evaluation and learning strategy that could explore the impact of the entire Equality Fund (beyond grantmaking, to look at the gender lens investments and philanthropy)?*

November 2019

Note: All \$ figures are Canadian dollars.